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# Budget Briefing for Health Justice Advocates

## January 29, 2021

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*Medicaid*  
Medicaid Matters New York  
*Matters*

Speakers:

- YuLing Koh Hsu and Ursula Rozum, Campaign for New York Health
- Lara Kassel, Medicaid Matters NY
- Amanda Dunker, CSSNY/HCFANY
- Bryan O'Malley, CDPAANYS



# #GoBardonHealthcare

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In 2021, we urge NY legislators and the Governor to #GoBardonHealthcare:

- #PassNYHealth
- Create state-funded Essential Plan for undocumented New Yorkers with COVID-19 #Coverage4All
- Make coverage more affordable
- Support Navigators engaging hard to reach New Yorkers
- End unfair medical billing
- Reject austerity



# FY22 Budget Process

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- The Governor’s budget is released as a series of bills: the state operations bill includes funding amounts and bills called “Article VIIs” include policy changes in specific areas including health
- Advocates work with both the executive and legislative branches to make changes: the Senate and Assembly release their own versions
- A final version will pass into law in April



# Overview of FY22 Proposed Executive Budget

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- **Revenue Issues**
- **Health Coverage**
  - Eliminates premiums in the Essential Plan program
  - No new coverage options or eligibility expansions
  - Medicaid issues: global cap, elimination of prescriber prevails, exclusion of public hospitals from indigent care pool funds, some assistance to mitigate 340B cuts
  - No increase for Navigators
  - Cuts to public health services
- **Consumer Protections**
  - Reduces interest rate on debt judgments
  - Maintains funding for the Community Health Advocates program and Community Health Access to Addiction and Mental Healthcare Project
  - Protecting access to consumer-directed personal assistance



# Revenue Issues

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- Everything in the proposed budget depends on a specific amount of federal aid
  - If that aid does not come through, there will be additional cuts
  - The process for making those cuts is not clear
- There is not enough being done to raise the state's revenue – campaigns like Invest in Our New York and the Budget Justice coalition are working on this!



# Coverage Provisions



# Health Coverage in the FY22 Executive Budget

- During the pandemic, the Governor helped people get and keep health coverage by expanding Emergency Medicaid for immigrants with COVID-19, automatically renewing enrollment for many people, and extending open enrollment all year
- The proposed budget:
  - **Eliminates premiums for people enrolled in the Essential Plan!**
    - If the enacted budget retains this proposal it will ease a financial burden for over 400,000 people AND mean that people won't lose coverage because they can't pay or don't understand they have to pay
  - Doesn't create new coverage options or further expand eligibility for existing coverage options
    - No steps towards the NY Health Act
    - No steps to expand options for immigrants



# The New York Health Act

- What is it?
  - Universal coverage for everyone who lives in NY regardless of immigration, income, health or other status. Also includes those who work full-time in NY but live out-of-state.
  - It is fairly funded. The NY Health Act would be self financed through progressive taxes on income. NYS is projected to spend in 2022 \$311 Billion on healthcare. Implementing NYHA is projected to spend less. In fact, \$11.2 billion less. Even more conservative economic studies show that at least 90% of NYers would save money, and show that NYers and New York State would save money in comparison to what we spend now on healthcare.
- Current goal: Pass A5248a/S3577
  - 82 Assembly and 31 Senate sponsors
  - Not reintroduced yet for this session





# Coverage4All

- Many immigrants are excluded from health coverage because of their immigration status: New York cannot receive federal funding to cover them
- In 2020, Gov. Cuomo expanded Emergency Medicaid to include testing and treatment for COVID-19, but it is NOT full coverage and undocumented NYers remain locked out of all full coverage options
- Next step: **Pass S2549/A1585 to expand Essential Plan coverage to immigrants who have had a suspected case of COVID-19 using state funds.**
- Ultimately, we should pass S1572/A880 so that ALL low-income undocumented adults can enroll in the Essential Plan with state funds



# Medicaid in New York

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- Covers people who earn below 138 percent of the federal poverty level, including some people who are also enrolled in Medicare but need long-term care services (such as people with disabilities)
  - 6.5 million New Yorkers in 2019, 30 percent of the population
  - 2020 enrollment data shows that there were over 700,000 new enrollees between March and November
- The federal government normally matches 50 percent of the state’s Medicaid spending (when New York State spends \$1 on Medicaid, the federal government contributes \$1); the federal Families First increased federal support for Medicaid during the pandemic

Kay Dervishi, “Pandemic drives New York’s Medicaid enrollment up,” September 3, 2020, City & State New York, [Pandemic drives New York’s Medicaid enrollment up | City & \(cityandstateny.com\)](https://www.cityandstateny.com/pandemic-drives-new-yorks-medicaid-enrollment-up/)

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# Medicaid in the FY22 Executive Budget

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- Continuation of the Medicaid cap until 2023
  - Medicaid exists so that people have health coverage even during an economic crisis: it MUST be allowed to grow with need instead of being subjected to arbitrary cuts
  - Medicaid brings in federal dollars to New York
- Eliminates prescriber prevails, which gives healthcare providers the final say on what medication their patient should take instead of plan administrators



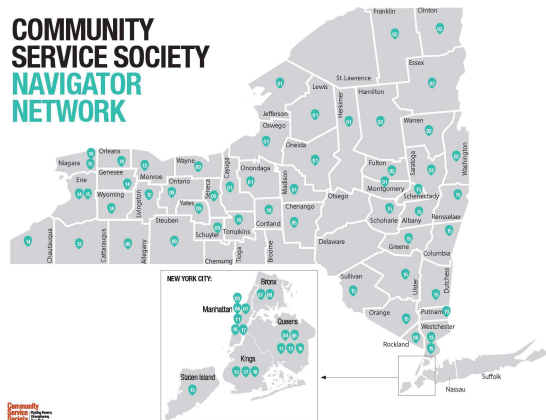
# Funding for safety-net hospitals related to Medicaid

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- The budget excludes major public hospitals from Indigent Care Pool funds
  - Indigent care pool funds are part of the disproportionate share payments that New York receives from the federal government to support providers that serve uninsured patients and patients covered with Medicaid
- The budget includes some help for providers affected by cuts to the federal 340B program related to changes in last year's state budget. 340B gives safety-net providers access to discounted medications. However:
  - The assistance doesn't come close to making up for those cuts
  - The methodology for distributing the funding isn't clear
  - Excludes some providers



# Navigators



- The Navigator program helps people apply for, enroll in, and renew health coverage
- New York’s Navigator program provides free in-person services in all parts of the state through a network of community-based organizations
  - The program has not had a cost-of-living increase since 2013, and nothing is proposed in the executive budget. The Navigator program budget should be increased from \$27.2 million to \$32 million to avoid service reductions at a time of greater need.
  - \$5 million outreach to underserved communities would help people who are eligible but not enrolled gain coverage and could be especially helpful for people who are losing job-based coverage and have never bought individual coverage or enrolled in public coverage

Karen Pollitz and Jennifer Tolbert, “Opportunities and Resources to Expand Enrollment During the Pandemic and Beyond,” Jan. 25, 2021, Kaiser Family Foundation, [Opportunities and Resources to Expand Enrollment During the Pandemic and Beyond | KFF](#)

# Article VI Cuts

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- Article VI is federal funding for public health that flows through the state; it is used to increase support for municipal public health programs through a 36% match
- The FY2020 and FY2021 enacted budgets reduced the matching rate to 20% only for New York City, leading to significant cuts in the city's current fiscal year amidst an unprecedented pandemic
- This year the proposed budget further cuts the matching rate to 10%, again only for NYC



# Consumer Protections



# Patient Medical Debt Protection Act (S2521/A3470 )

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- In Executive Budget Proposal:
  - Cut debtor interest rates from 9% to 1 year treasury rate (Public Protection and General Government Article VII)
  - Hospitals have sued over 50,000 New Yorkers in the past five years; almost all medical debt cases end up in default judgments against the patient, interest can add thousands of dollars to those judgments
- A next step: pass S2521/A3470 in its entirety to:
  - Hold consumer harmless in surprise bill cases caused by provider or plan misinformation
  - Standardize financial assistance applications and appeals processes so everyone gets the help they are eligible for
  - Ban on facility fees when insurance is not covering them
  - Standardize financial liability forms
  - Itemized and timely medical bills
- Last year the bill won 55 co-sponsors!





# Consumer Assistance Programs

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- Community Health Advocates (CHA)
  - Free, statewide post-enrollment assistance: help with unfair or confusing bills, finding in-network care, filing appeals, using health insurance or accessing care without insurance
  - The Executive Budget maintains CHA funding; advocates are working to ensure that the Assembly and Senate do the same so that total funding is maintained at \$3.9 million
- Community Health Access to Addiction or Mental Healthcare Project (CHAMP)
  - Similar services to CHA with expertise in mental health and substance use disorders
  - Fully funded in the Governor's budget



# Consumer Directed Personal Assistance Program

- Personal care and consumer directed personal assistance have been cut over a half billion dollars in the last two years.
- Last year, in the heart of a pandemic, the budget cut eligibility to these programs and made it more likely that seniors and the disabled would be forced into nursing homes and also cut home care wage subsidies by 25%.
- NY is the epicenter of a national workforce shortage in this industry. Independent consultants Mercer estimate we will have a shortage of over 80,000 home care workers by 2025. **This year's budget will worsen that problem by cutting wage subsidies by another 25%.**
- CDPAANYS is working with #JustPay4HomeCare campaign to address this crisis by raising wages for these workers to at least 150% of the minimum wage.



# Action Steps/Q&A

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- Tell your legislators:
    - Pass the New York Health Act [link](#)
    - Pass the Patient Medical Debt Protection Act [link](#)
    - Cover all New Yorkers regardless of immigration status [link](#)
  - Sign to support: Principles to Protect NYS Medicaid and Reach Greater Health Equity [link](#)
  - Join CDPAANYS for a webinar on budget issues affecting community-based long-term care this Monday [link](#)
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